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Economic and Environmental Benefits of Habitat Protection, Restoration, and Enhancement

The compelling economic and environmental benefits of habitat protection, restoration, and enhancement include:

- **An increase in the state's ability to attract new businesses and workers and retain existing enterprises:** Many businesses and skilled workers locate in California because of its environmental quality.



The loss of vast amounts of open space and habitat lands for development, without setting aside some of these lands for public uses and enjoyment, could diminish the willingness of business to locate high paying jobs in California (Center for Continuing Study of the California Economy, 1998).

- **Natural systems:** The protection, enhancement, and restoration of California's watersheds, riparian stream zones, and wetlands will reduce the need for costly new water-treatment plants, provide high quality drinking water at reduced cost, reduce the costs of flood damage, and improve water quality for aquatic ecosystems and human recreation.



- **Protection of agricultural lands:** As California's population and economy continue to grow, pressures to convert agricultural lands and water resources to other uses will intensify. California is unique in the world with its combination of climate, soil, water, and human ingenuity that forms our farm economy and provides the foundation for a strong California. Preventing the untimely and unnecessary development of agricultural lands will help maintain a strong California economy.

In 1996, California's agricultural and related food production industries employed over 500,000 and generated \$75.6 billion in sales (Center for Continuing Study of the California Economy, 1998). While



conversion of some farmland to urban uses is inevitable, by emphasizing compact and infill development, farmland losses can be minimized. By avoiding unnecessary loss of high quality farmland, and encouraging the adoption of voluntary best management practices on a more universal scale, we also improve water quality, maintain wildlife habitat, and support agricultural jobs and rural communities.

For an example of management practices that benefit both farmers and the environment, one can look to the inventive rice growers in the

Sacramento Valley. They have found a way to solve one of their most pressing problems: disposal of the troublesome rice straw that remains after the fall harvest. Rice growers discovered that by re-flooding their empty fields in winter, they get rid of the potentially damaging rice straw at little cost and create vast swaths of seasonal wetlands and waterfowl habitat. By doing this, the rice growers have enhanced California's natural capital, and at the same time, increased their own economic capital.

- Tourism:** California's unique landscape, wealth of parks and forests, and unique coastline is an asset that supports a thriving tourism industry. The California Trade and Commerce Agency's Division of Tourism estimates that traveler spending generates approximately \$55.2 billion annually (6.5 percent of the gross state product) and supports almost 700,000 jobs statewide. Ocean and coastal tourism, and associated recreation, contributed \$9.9 billion to the state's economy in 1992.



- Recreation:** The recreation and leisure industry is the third largest industry in the state. More than \$30 billion per year is spent by Californians on recreation and leisure. Although not all recreational spending is linked to California's natural environment, recreational fishing, wildlife viewing, hunting, and camping contribute over 70,000 jobs and over \$3 billion to the state's economy.



- Commercial fisheries:** Commercial fishing is an important industry in California. The wholesale value of fish caught in California fisheries in 1995 was more than \$150 million, and 6,000 people were directly employed in wholesale and processing operations. Wetlands, riparian habitats, and watersheds play an important role as nurseries in the production of marine, freshwater, and shell fish. Thus protection of these key habitats will contribute to the health of the commercial fishing industry.



- Reduction of conflicts caused by species extinction:** Minimizing future loss, degradation, and fragmentation of California's indigenous landscapes, and encouraging restoration and enhancement of threatened habitats, will maximize species diversity, strengthen the health of ecosystems, safeguard potential pharmaceutical values, reduce the regulatory burden on private landowners, and reduce the cost of conflicts that arise out of species protection laws.



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Habitat and Prosperity: Protecting California's Future

was prepared by the California Environmental Dialogue (CED).

The Mission of the California Environmental Dialogue (CED) is to engage California business, corporate, environmental, and government leaders collaboratively to produce timely and improved environmental protection while reducing costs to business, government and society. By engaging in a formal dialogue, CED builds relationships and trust, which allow its members to pursue public and private policies leading to enhanced environmental outcomes and economic efficiencies.

If you want more information on CED, see our web page at www.cedlink.org or contact Janet Whittick, CED Project Manager, at (415) 512-7890 extension 10. 100 Spear Street, Suite 805, San Francisco, CA 94105 Fax (415) 512-7897 Email: janetw@cceb.org

The California Environmental Dialogue's Perspective:

Habitat and Prosperity: Protecting California's Future

Our vision for California in the twenty first century includes both a robust economy and healthy natural systems. Join us to make this vision real. As Californians move toward the year 2020, the state's population is projected to increase by more than 40 percent—15 million additional Californians, the equivalent of adding four cities the size of Los Angeles. The California Environmental Dialogue (CED), a diverse group of corporate, environmental, and governmental leaders, believes that prosperity and opportunity for all, in the face of this extraordinary population growth, will require additional investment in the protection and restoration of our land, air, and water.

The interdependence of the economy and environment is at the foundation of California's wealth and at the center of the California dream. CED's dream embraces both economic prosperity and the preservation and restoration of vital natural systems—one compatible with the other.

Long term economic prosperity of our communities must have a firm basis in both our physical infrastructure, like schools that educate us and homes that shelter us, and our natural resources, like clean air and water that sustain us. A vision for the twenty first century must recognize that California's habitats and natural communities are an integral part of the economic foundation upon which future prosperity depends. We need increased investment in our land, air, and water, and the life they support, to sustain a strong agricultural economy, growing tourism and recreational industries, healthy communities, and a quality of life that attracts the work force that underpins a vibrant economy.

California's rich and diverse ecosystems have provided us with an exceedingly generous bounty. There are limits to these systems, and it is time to return their generosity. As we enter the next century, and add 15 million Californians, we need an expanded public/private natural resource investment strategy to restore life supporting habitats and fully protect vital natural systems.

The beauty of California's coastal, valley, and mountain environments has long been a magnet for people around the world. Our generation was blessed with the foresight of those who protected these values for us. We must rethink, restore, and recommit to the natural treasures we inherit, enjoy, and hold in trust for future generations. As trustees we must marshal a reinvestment plan based on foresight and fairness—fairness to those who may bear some of the burden now, foresight for those who would bear the burden of our failure.

The health of our land, air, and water requires additional funding and tools. Both must encourage enlightened stewardship of public and private lands, restoration of natural resources, and economic prosperity. California needs to harness its genius for innovation and develop an array of creative tools—financial tools, like bonds, appropriations, and tax credits; incentives that assure the health of public and private land; and productive collaboration, because we've learned its power.

Healthy natural communities are basic to vibrant human communities. Through the power of working together we can assure one to build the other. Join us as we support a greater and reliable flow of public and private investment in California's natural capital—the land, air, water, and ecosystems. Our economy and lives depend on it.

